

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

In re Firestar Diamond Inc & Fantasy Inc (Combined)
Debtor

Case No. 18-10509 (SHL) / 18-10511 (SHL)

Reporting Period: 12/1/18 - 12/31/18

Federal Tax I.D. # 27-0082729 Firestar Diamond Inc
90-0881673 Fantasy Inc

CORPORATE MONTHLY OPERATING REPORT

File with the Court and submit a copy to the United States Trustee within 20 days after the end of the month and submit a copy of the report to any official committee appointed in the case.

(Reports for Rochester and Buffalo Divisions of Western District of New York are due 15 days after the end of the month, as are the reports for Southern District of New York.)

REQUIRED DOCUMENTS	Form No.	Document Attached	Explanation Attached
Schedule of Cash Receipts and Disbursements	MOR-1	See Exhibit A "Firestar & Fantasy Cash Register"	
Bank Reconciliation (or copies of debtor's bank reconciliations)	MOR-1 (CONT)		
Copies of bank statements		Included	
Cash disbursements journals		See Exhibit A " Firestar & Fantasy Cash Register"	
Statement of Operations	MOR-2	See Exhibit B "Firestar, Fantasy & Consolidated Income Statements"	
Balance Sheet	MOR-3	See Exhibit C "Firestar, Fantasy & Consolidated Balance Sheets"	
Status of Post-petition Taxes	MOR-4	Not applicable	
Copies of IRS Form 6123 or payment receipt		Not applicable	
Copies of tax returns filed during reporting period		Not applicable	
Summary of Unpaid Post-petition Debts	MOR-4	See Exhibit D "Post Petition Payables"	
Listing of Aged Accounts Payable			
Accounts Receivable Reconciliation and Aging	MOR-5		
Taxes Reconciliation and Aging	MOR-5		
Payments to Insiders and Professional	MOR-6		
Post Petition Status of Secured Notes, Leases Payable	MOR-6		
Debtor Questionnaire	MOR-7		

I declare under penalty of perjury (28 U.S.C. Section 1746) that this report and the attached documents are true and correct to the best of my knowledge and belief.

/s/ Richard Levin, Chapter 11 Trustee

Date: January 22, 2019

This MOR reflects corrections from prior reports made to correctly reflect the Companies' financial statements.

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Case No.

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SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS

Amounts reported should be from the debtor's books and not the bank statement. The beginning cash should be the ending cash from the prior month or, if this is the first report, the amount should be the balance on the date the petition was filed. The amounts reported in the "CURRENT MONTH - ACTUAL" column must equal the sum of the four bank account columns. Attach copies of the bank statements and the cash disbursements journal. The total disbursements listed in the disbursements journal must equal the total disbursements reported on this page. A bank reconciliation must be attached for each account. [See MOR-1 (CON'T)]

BANK ACCOUNTS

ACCOUNT NUMBER (LAST 4)	Firestar Operating Account (HSBC 9209)	Firestar A/R Checking Account (HSBC 3004)	Firestar Payroll Account (HSBC 6799)	Firestar United Bank Account (9796)	Fantasy Operating Account (9441)	Fantasy United Bank Account (9842)	Current Month Total (All Accounts)
CASH BEGINNING OF MONTH	12,723	1,662,474	10,417	-	1,208,947	-	2,894,562
RECEIPTS							
Cash Sales		135,000					135,000
Collections On Pre-Petition Accounts Receivable							-
Collections On Post-Petition Accounts Receivable		321,938					321,938
Receipt From A. Jaffe (Affiliate) For Allocated Expenses (Payroll, Payroll Taxes & Rent)							-
Sale Of Assets		2,335					2,335
Other (Miscellaneous)		224					224
Reversal Of Old Outstanding Checks							-
Transfers (From DIP Accts)		12,665		1,198,288		1,208,947	2,419,901
TOTAL RECEIPTS	-	472,162	-	1,198,288	-	1,208,947	2,879,398
DISBURSEMENTS							
Net Payroll (Includes Employee's Payroll Taxes)		(174,111)				(23,940)	(198,051)
Payroll Taxes							-
Employee Benefits		(161)					(161)
Sales, Use, & Other Taxes							-
Utilities		(3,080)					(3,080)
Secured (Bank Loan Interest Payments & Quarterly Line Fee)/Rental/Leases		(35,288)					(35,288)
Insurance		(16,348)				(1,254)	(17,602)
Administrative	(58)	(33,996)					(34,054)
Logistics							-
Operations		(25,717)					(25,717)
Court Approved Wages, 503(B) 9 And Critical Vendors							-
Court Approved Bank Loan Payments							-
Restructuring		(4,703)					(4,703)
Transfers (To DIP Accts)	(12,665)	(1,187,871)	(10,417)		(1,208,947)		(2,419,901)
Professional Fees		(653,360)				(115,259)	(768,620)
U.S. Trustee Quarterly Fees							-
Court Costs							-
TOTAL DISBURSEMENTS	(12,723)	(2,134,636)	(10,417)	-	(1,208,947)	(140,453)	(3,507,178)
Net Cash Flow (Receipts Less Disbursements)	(12,723)	(1,662,474)	(10,417)	1,198,288	(1,208,947)	1,068,494	(627,780)
CASH - END OF MONTH	-	-	-	1,198,288	-	1,068,494	2,266,782

THE FOLLOWING SECTION MUST BE COMPLETED

DISBURSEMENTS FOR CALCULATING U.S. TRUSTEE QUARTERLY FEES: (FROM CURRENT MONTH ACTUAL COLUMN)

	Firestar Diamond Inc	Fantasy Inc	Total
TOTAL DISBURSEMENTS	(2,157,777)	(1,349,401)	(3,507,178)
LESS: TRANSFERS TO OTHER DEBTOR IN POSSESSION ACCOUNTS	1,210,953	1,208,947	2,419,901
PLUS: ESTATE DISBURSEMENTS MADE BY OUTSIDE SOURCES (i.e. from escrow accounts)			
TOTAL DISBURSEMENTS FOR CALCULATING U.S. TRUSTEE QUARTERLY FEES	(946,824)	(140,453)	(1,087,277)

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BANK RECONCILIATIONS**Continuation Sheet for MOR-1**

A bank reconciliation must be included for each bank account. The debtor's bank reconciliation may be substituted for this page.

(Bank account numbers may be redacted to last four numbers.)

	Firestar Operating Account (HSBC 9209)	Firestar A/R Checking Account (HSBC 3004)	Firestar Payroll Account (HSBC 6799)	Firestar United Bank Account (9796)	Fantasy Operating Account (9441)
	9209	3004	6799		9441
BALANCE PER BOOKS	-	-	-	1,198,288	-
BANK BALANCE	-	33,715	-	1,198,288	-
(+) DEPOSITS IN TRANSIT (<i>ATTACH LIST</i>)					
(-) OUTSTANDING CHECKS (<i>ATTACH LIST</i>) :		(33,715)			
OTHER (<i>ADJUSTMENTS TO BE POSTED TO BOOKS</i>)					
ADJUSTED BANK BALANCE *	-	-	-	1,198,288	-

*"Adjusted Bank Balance" must equal "Balance per Books"

DEPOSITS IN TRANSIT	Date	Amount			
CHECKS OUTSTANDING	Ck. #	Amount	Date	Payee	
	28723	19,870.81	12/03/18	Cost Reduction Solutions	
	28727	4,460.00	12/05/18	Cost Reduction Solutions	
	28732	414.58	12/07/18	Guardian Insurance	
	28737	4,500.00	12/12/18	Cost Reduction Solutions	
	28743	4,470.00	12/20/18	Cost Reduction Solutions	
		33,715.39			

OTHER

Debtor**STATEMENT OF OPERATIONS (Income Statement)**

The Statement of Operations is to be prepared on an accrual basis. The accrual basis of accounting recognizes when it is realized and expenses when they are incurred, regardless of when cash is actually received or paid.

REVENUES	CURRENT MONTH	CUMULATIVE - FILING TO DATE
Gross Revenues	137,559	34,311,427
Less: Returns and Allowances	-	(7,126,874)
Net Revenue	137,559	27,184,553
COST OF GOODS SOLD		
Beginning Inventory	13,441,650	41,040,181
Add: Purchases (includes returned goods)	-	4,423,398
Add: Cost of Labor	-	258,594
Add: Other Costs/Adjustments	106,944	393,837
Less: Ending Inventory	13,410,529	13,410,529
Cost of Goods Sold	138,065	32,705,480
Gross Profit (Loss)	(506)	(5,520,927)
OPERATING EXPENSES		
Advertising & Marketing	5,500	488,900
Auto and Truck Expense		-
Bad Debts	-	9,076,146
Contributions		-
Employee Benefits	11,742	90,700
Officer/Insider Compensation*	-	235,967
Insurance	378	178,571
Management Fees/Bonuses		-
Office Expense	3,619	39,768
Pension & Profit-Sharing Plans		-
Repairs and Maintenance		-
Rent and Lease Expense	35,288	270,627
Salaries/Commissions/Fees	174,111	1,285,536
Show Expense	-	68,765
Supplies		-
Taxes - Payroll	12,204	137,505
Taxes - Real Estate		-
Taxes - Other	-	41,514
Travel and Entertainment	-	24,464
Utilities	3,080	19,716
Other (see MOR-2a Schedule)	69,053	748,089
Total Operating Expenses Before Depreciation	314,976	12,706,266
Depreciation/Depletion/Amortization	28,000	287,697
Net Profit (Loss) Before Other Income & Expenses	(343,482)	(18,514,890)
OTHER INCOME AND EXPENSES		
Other Income		-
Interest Expense	-	682,516
Other Expense (Bank Charges)		11,759
Net Profit (Loss) Before Reorganization Items	(343,482)	(19,209,165)

Debtor**STATEMENT OF OPERATIONS (Income Statement)**

The Statement of Operations is to be prepared on an accrual basis. The accrual basis of accounting recognize when it is realized and expenses when they are incurred, regardless of when cash is actually received or paid.

REVENUES	CURRENT MONTH	CUMULATIVE - FILING TO DATE
REORGANIZATION ITEMS		
Professional Fees (<i>see MOR-6</i>) as adjusted	276,746	4,448,455
U. S. Trustee Quarterly Fees	10,873	233,078
Interest Earned on Accumulated Cash from Chapter 11 (<i>see continuation sheet</i>)		-
Loss due to writeoff of Fixed Assets and accrued liabilities and expenses	727,319	727,319
Other Reorganization Expenses (<i>see below</i>)	-	1,318,624
Total Reorganization Expenses	1,014,937	6,727,477
Income Taxes		
Net Profit (Loss)	(1,358,420)	(25,936,642)

**"Insider" is defined in 11 U.S.C. Section 101(31).

BREAKDOWN OF "OTHER" CATEGORY**OTHER REORGANIZATION EXPENSES**

Legal Publication Fee for Bid Procedure	-	17,967
Adequate Protection Obligations (Bank's Attorneys' Fee)	-	1,153,621
V Discovery Fee	-	147,037

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OTHER EXPENSES (Income Statement)

The Statement of Operations is to be prepared on an accrual basis. The accrual basis of accounting recognizes revenue when it is realized and expenses when they are incurred, regardless of when cash is actually received or paid.

OTHER EXPENSES	CURRENT MONTH	CUMULATIVE - FILING TO DATE
Shipping Expense	2,190	(3,072)
Royalty Expense	-	163,010
Computer Expense	-	43,240
Back Office Expense	-	120,909
Vault Monitors	33,301	269,635
Bank Charges	58	17,053
Professional Fees (pre-petition invoices)		70,104
Miscellaneous	33,504	67,209
	69,053	748,088

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BALANCE SHEET

The Balance Sheet is to be completed on an accrual basis only. Pre-petition liabilities must be classified separately from post-petition obligations.

ASSETS	BOOK VALUE AT END OF CURRENT REPORTING MONTH	BOOK VALUE AT END OF PRIOR REPORTING MONTH	BOOK VALUE ON PETITION DATE OR SCHEDULED
CURRENT ASSETS			
Unrestricted Cash and Equivalents	2,266,782	2,897,298	4,333,143
Restricted Cash and Cash Equivalents (<i>see continuation sheet</i>)			
Accounts Receivable (Net of Advertising Allowance)	7,913,734	8,232,441	21,045,799
Notes Receivable			
Inventories	13,410,529	13,441,650	41,040,181
Prepaid Expenses	-	200,257	560,841
Professional Retainers			
Other Current Assets (<i>See tab "Balance Sheet"</i>)			
TOTAL CURRENT ASSETS	23,591,045	24,771,646	66,979,964
PROPERTY & EQUIPMENT			
Real Property and Improvements			
Machinery and Equipment	-	279,061	279,061
Furniture, Fixtures and Office Equipment	-	3,543,517	3,543,518
Leasehold Improvements	-	480,116	480,116
Vehicles			
Less: Accumulated Depreciation	-	(3,834,438)	(3,798,079)
TOTAL PROPERTY & EQUIPMENT	-	468,256	504,616
OTHER ASSETS			
Amounts due from Insiders*	2,275,539	2,274,246	2,321,040
Other Assets (<i>attach schedule</i>)	34,999	1,912,107	2,410,108
TOTAL OTHER ASSETS	2,310,538	4,186,354	4,731,148
TOTAL ASSETS	25,901,584	29,426,256	72,215,728

LIABILITIES AND OWNER EQUITY	BOOK VALUE AT END OF CURRENT REPORTING MONTH	BOOK VALUE AT END OF PRIOR REPORTING MONTH	BOOK VALUE ON PETITION DATE
LIABILITIES NOT SUBJECT TO COMPROMISE (Postpetition)			
Accounts Payable (<i>refer to FORM MOR-4 for breakdown</i>)	83,482	75,053	
Taxes Payable (<i>refer to FORM MOR-4</i>)			
Wages Payable	-	112,827	
Accrued Expenses	-	1,145,420	
Rent / Leases - Building/Equipment			
Secured Debt / Adequate Protection Payments	-	-	
Professional Fees	1,247,407	1,323,106	
Amounts Due to Insiders*	-	-	
Other Post-petition Liabilities (<i>Accrued Disability & 401K Payable</i>)	-	(1,430)	
TOTAL POST-PETITION LIABILITIES	1,330,889	2,654,976	
LIABILITIES SUBJECT TO COMPROMISE (Pre-Petition)			
Secured Debt	-	-	20,079,007
Priority Debt			
Deferred Taxes - Long Term	-	670,000	670,000
Deferred Rent	-	96,189	96,189
Unsecured Debt	43,764,510	43,840,488	44,627,706
TOTAL PRE-PETITION LIABILITIES	43,764,510	44,606,677	65,472,902
TOTAL LIABILITIES	45,095,400	47,261,652	65,472,902
OWNERS' EQUITY			
Capital Stock	110	110	110
Additional Paid-In Capital	4,705,790	4,705,790	4,705,790
Partners' Capital Account			
Owner's Equity Account			
Retained Earnings - Pre-Petition	2,036,926	2,036,926	2,036,926
Retained Earnings - Post-petition	(25,936,642)	(24,578,222)	
Adjustments to Owner Equity (<i>See Below</i>)			
Post-petition Contributions (<i>attach schedule</i>)			
NET OWNERS' EQUITY	(19,193,816)	(17,835,396)	6,742,826
TOTAL LIABILITIES AND OWNERS' EQUITY	25,901,584	29,426,256	72,215,728

*"Insider" is defined in 11 U.S.C. Section 101(31). (Note: The decrease in the receivable balance was mainly attributed to payments received from insider for shared expenses.)

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STATUS OF POST-PETITION TAXES

The beginning tax liability should be the ending liability from the prior month or, if this is the first report, the amount should be zero.

Attach photocopies of any tax returns filed during the reporting period.

Federal	Beginning Tax	Amount Withheld and/or Accrued	Amount Paid	Date Paid	Check # or EFT	Ending Tax
Withholding	-	20,393	20,393	12/05/18 & 12/19/18	EFT	-
FICA/Medicare-Employee	-	10,970	10,970	12/05/18 & 12/19/18	EFT	-
FICA/Medicare-Employer	-	10,970	10,970	12/05/18 & 12/19/18	EFT	-
Unemployment	-	32	32	12/05/18 & 12/19/18	EFT	-
Income	-					-
Other:	-					-
Total Federal Taxes	-	42,364	42,364	-	-	-
State and Local						
Withholding	-	8,096	8,096	12/05/18 & 12/19/18	EFT	-
Sales	-					-
Excise	-					-
Unemployment	-	230	230	12/05/18 & 12/19/18	EFT	-
Real Property	-					-
Personal Property	-					-
Other (Local):	-	2,009	314	12/05/18 & 12/19/18	EFT	1,695
Total State and Local	-	10,335	10,335			1,695
Total Taxes	-	52,699	52,699	-	-	1,695

SUMMARY OF UNPAID POST-PETITION DEBTS

Attached is the aged listing of accounts payable.

	Current	1-30	31-60	61-90	Over 91	Total
Accounts Payable	(13,132)	-	(9,670)		(60,680)	(83,482)
Plus Debit balances in Post-Petition A/P, which were added to A/R	-	-	(95)	-	2,548	2,453
Plus Credit balances in A/R, which were added to A/P	-	671	18,563	-	23,395	42,630
Wages Payable	-	-	-	-	-	-
Professional Fees (Accrued)	387,420	289,585	119,356	48,451	402,596	1,247,407
Amounts Due to Insiders (Accrued Payroll)	-	-	-	-	-	-
Other: (Accrued Disability & 401K Payable)	-	-	-	-	-	-
Other:						-
Total Post-petition Debts	374,288	290,256	128,156	48,451	367,859	1,209,009

Explain how and when the Debtor intends to pay any past due post-petition debts.

The Debtors expect to pay all Post-Petition debts with their existing cash

PAYMENTS TO INSIDERS AND PROFESSIONALS

Of the total disbursements shown on the Cash Receipts and Disbursements Report (MOR-1) list the amount paid to insiders (as defined in Section 101(31) (A)-(F) of the U.S. Bankruptcy Code) and to professionals. For payments to insiders, identify the type of compensation paid (e.g. Salary, Bonus, Commissions, Insurance, Housing Allowance, Travel, Car Allowance, Etc.). Attach additional sheets if necessary.

INSIDERS				
NAME	TYPE OF PAYMENT	AMOUNT PAID IN CURRENT PERIOD	DATE PAID	TOTAL PAID TO DATE
Mihir Bhansali	Reimbursement for Marketing Expense Paid			\$ 10,500.00
Mihir Bhansali	Reimbursement for Cell Phone Fee Paid			\$ 190.99
Mihir Bhansali	Net Payroll			\$ 12,736.81
Ajay Gandhi	Reimbursement for Telephone Expense Paid			\$ 300.00
Ajay Gandhi	Net Payroll			\$ 36,948.36
RSR Consulting	Director's Fee			\$ 47,220.00
TOTAL PAYMENTS TO INSIDERS		\$ -		\$ 107,896.16

PROFESSIONALS							
NAME	APPLICABLE FEE PERIOD	AMOUNT OF MONTHLY FEE STATEMENT	AMOUNT APPROVED	AMOUNT PAID IN CURRENT MONTH	AMOUNT PAID IN PRIOR PERIODS	TOTAL PAID TO DATE	TOTAL INCURRED & UNPAID*
Getzler Henrich & Associates , LLC	February 26, 2018 - March 31, 2018	95,498	95,498	-	95,498	95,498	-
Getzler Henrich & Associates , LLC	April 1, 2018 - April 30, 2018	73,256	73,256	-	73,256	168,754	-
Getzler Henrich & Associates , LLC	May 1, 2018 - May 31, 2018	104,230	104,230	-	104,230	272,984	-
Getzler Henrich & Associates , LLC	June 1, 2018 - June 30, 2018	81,578	81,578	-	81,578	354,562	-
Getzler Henrich & Associates , LLC	July 1, 2018 - August 4, 2018	116,280	116,280	-	116,280	470,842	-
Getzler Henrich & Associates , LLC	August 5, 2018 - September 1, 2018	80,898	80,898	-	80,578	551,420	320
Getzler Henrich & Associates , LLC	September 2, 2018 - September 30, 2018	71,090	71,090	-	71,161	622,581	248
Getzler Henrich & Associates , LLC	October 1, 2018 - October 27, 2018	48,493	48,493	-	48,559	671,140	182
Getzler Henrich & Associates , LLC	October 28, 2018 - December 1, 2018	28,328	28,328	28,403	-	699,543	107
Getzler Henrich & Associates , LLC - Accrued	December 1, 2018 - December 31, 2018	20,000	-	-	-	699,543	20,107
Klestadt Winters Jureller Southard & Stevens LLP	February 26, 2018 - March 31, 2018	343,770	275,298	-	-	-	343,770
Klestadt Winters Jureller Southard & Stevens LLP	April 1, 2018 - April 30, 2018	166,497	133,589	-	408,917	408,917	101,350
Klestadt Winters Jureller Southard & Stevens LLP	May 1, 2018 - May 31, 2018	166,543	133,985	-	133,985	542,902	133,908
Klestadt Winters Jureller Southard & Stevens LLP	June 1, 2018 - June 14, 2018	50,294	-	-	40,504	583,406	143,698
Forchelli Deegan Terrana LLP	February 26, 2018 - March 31, 2018	14,593	11,674	-	-	-	14,593
Forchelli Deegan Terrana LLP	April 1, 2018 - April 30, 2018	3,569	2,855	-	14,529	14,529	3,632
Forchelli Deegan Terrana LLP	May 1, 2018 - May 31, 2018	4,095	3,276	-	-	14,529	7,727
Forchelli Deegan Terrana LLP	June 1, 2018 - June 3, 2018	1,107	936	-	4,246	18,775	4,588
Lackebach Siegel, LLP	February 26, 2018 - March 31, 2018	23,855	19,168	-	-	-	23,855
Lackebach Siegel, LLP	April 1, 2018 - April 30, 2018	16,221	12,977	-	19,168	19,168	20,909
Lackebach Siegel, LLP	May 1, 2018 - May 31, 2018	20,740	17,008	-	29,985	49,153	11,664
Lackebach Siegel, LLP	June 1, 2018 - June 14, 2018	4,954	3,963	-	3,963	53,115	12,655
Lackebach Siegel, LLP	August 1, 2018 - August 31, 2018	32,619	26,674	18,119	-	71,235	27,155
Lackebach Siegel, LLP	September 1, 2018 - November 30, 2018	22,442	18,119	-	-	71,235	49,596
Lackebach Siegel, LLP - Accrued	December 1, 2018 - December 31, 2018	20,000	-	-	-	71,235	69,596
Marks Paneth LLP	February 26, 2018 - March 31, 2018	180,214	144,171	-	-	-	180,214
Marks Paneth LLP	April 1, 2018 - April 30, 2018	87,345	69,876	-	214,047	214,047	53,512
Marks Paneth LLP	May 1, 2018 - May 31, 2018	87,086	69,668	-	69,668	283,715	70,929
Marks Paneth LLP	June 1, 2018 - June 30, 2018	127,955	44,122	-	44,122	327,837	154,762
Baker Hostetler LLP (examiner)	April 1, 2018 - April 30, 2018	4,484	3,587	-	3,587	3,587	897
Baker Hostetler LLP (examiner)	May 1, 2018 - May 31, 2018	14,160	11,328	-	11,328	14,915	3,729
Baker Hostetler LLP (examiner)	June 1, 2018 - June 30, 2018	5,517	4,413	-	4,413	19,328	4,832
Baker Hostetler LLP (examiner)	July 1, 2018 - July 31, 2018	6,136	4,909	-	4,909	24,237	6,059
Baker Hostetler LLP (examiner)	August 1, 2018 - August 31, 2018	27,052	21,641	-	21,641	45,878	11,470
Baker Hostetler LLP (examiner)	September 1, 2018 - September 30, 2018	3,294	2,645	6,059	2,645	54,583	6,059
Baker Hostetler LLP (attorney for examiner)	April 1, 2018 - April 30, 2018	34,823	27,863	-	27,863	27,863	6,960
Baker Hostetler LLP (attorney for examiner)	May 1, 2018 - May 31, 2018	121,921	97,720	-	32,131	59,995	96,749
Baker Hostetler LLP (attorney for examiner)	June 1, 2018 - June 30, 2018	127,747	104,019	-	44,087	104,082	180,410
Baker Hostetler LLP (attorney for examiner)	July 1, 2018 - July 31, 2018	126,553	102,865	-	40,038	144,120	266,925
Baker Hostetler LLP (attorney for examiner)	August 1, 2018 - August 31, 2018	272,096	219,598	-	-	144,120	539,021
Baker Hostetler LLP (attorney for examiner)	September 1, 2018 - September 30, 2018	17,715	15,481	-	423,141	567,261	133,595
Baker Hostetler LLP (attorney for examiner)	October 1, 2018 - October 31, 2018	14,314	11,461	68,081	71,496	706,838	8,332
Alvarez & Marsal (FA for examiner)	April 19, 2018 - May 31, 2018	90,234	72,986	-	46,541	46,541	43,693
Alvarez & Marsal (FA for examiner)	June 1, 2018 - June 30, 2018	149,735	120,209	-	41,500	88,040	151,928
Alvarez & Marsal (FA for examiner)	July 1, 2018 - July 31, 2018	130,925	105,383	-	40,053	128,093	242,800
Alvarez & Marsal (FA for examiner)	August 1, 2018 - August 31, 2018	124,157	99,378	48,547	269,864	446,504	48,547
Jenner & Block LLP (Trustee)	June 14, 2018 - July 31, 2018	191,586	153,772	-	154,046	154,046	37,540
Jenner & Block LLP (Trustee)	August 1, 2018 - August 31, 2018	113,573	91,388	-	91,388	245,434	59,725
Jenner & Block LLP (Trustee)	September 1, 2018 - September 30, 2018	102,882	82,305	-	82,379	327,814	80,228
Jenner & Block LLP (Trustee)	October 1, 2018 - October 31, 2018	105,943	85,322	85,322	-	413,136	100,848
Jenner & Block LLP (Trustee)	November 1, 2018 - November 30, 2018	61,278	49,247	49,247	-	462,383	112,879
Jenner & Block LLP (Trustee)	December 1, 2018 - December 31, 2018	90,137	-	-	-	462,383	203,016
Chapter 11 Trustee	June 14, 2018 - July 31, 2018	379,967	303,974	303,974	-	303,974	5,993
Chapter 11 Trustee	November 1, 2018 - November 30, 2018	189,219	-	-	-	303,974	265,212
Chapter 11 Trustee	December 1, 2018 - December 31, 2018	32,618	-	-	-	303,974	297,831

PAYMENTS TO INSIDERS AND PROFESSIONALS

Of the total disbursements shown on the Cash Receipts and Disbursements Report (MOR-1) list the amount paid to insiders (as defined in Section 101(31) (A)-(F) of the U.S. Bankruptcy Code) and to professionals. For payments to insiders, identify the type of compensation paid (e.g. Salary, Bonus, Commissions, Insurance, Housing Allowance, Travel, Car Allowance, Etc.). Attach additional sheets if necessary.

INSIDERS				
NAME	TYPE OF PAYMENT	AMOUNT PAID IN CURRENT PERIOD	DATE PAID	TOTAL PAID TO DATE
Mihir Bhansali	Reimbursement for Marketing Expense Paid			\$ 10,500.00
Mihir Bhansali	Reimbursement for Cell Phone Fee Paid			\$ 190.99
Mihir Bhansali	Net Payroll			\$ 12,736.81
Ajay Gandhi	Reimbursement for Telephone Expense Paid			\$ 300.00
Ajay Gandhi	Net Payroll			\$ 36,948.36
RSR Consulting	Director's Fee			\$ 47,220.00
TOTAL PAYMENTS TO INSIDERS		\$ -		\$ 107,896.16

PROFESSIONALS							
NAME	APPLICABLE FEE PERIOD	AMOUNT OF MONTHLY FEE STATEMENT	AMOUNT APPROVED	AMOUNT PAID IN CURRENT MONTH	AMOUNT PAID IN PRIOR PERIODS	TOTAL PAID TO DATE	TOTAL INCURRED & UNPAID*
Alvarez & Marsal (FA for Trustee)	June 1, 2018 - June 30, 2018	12,000	9,600	-	-	-	12,000
Alvarez & Marsal (FA for Trustee)	July 1, 2018 - July 31, 2018	17,207	13,771	-	23,371	23,371	5,836
Alvarez & Marsal (FA for Trustee)	August 1, 2018 - August 31, 2018	44,263	35,411	-	35,411	58,782	14,689
Alvarez & Marsal (FA for Trustee)	September 1, 2018 - September 30, 2018	139,726	111,873	-	111,873	170,655	42,542
Alvarez & Marsal (FA for Trustee)	October 1, 2018 - October 31, 2018	147,162	117,927	117,927	-	288,582	71,777
Alvarez & Marsal (FA for Trustee)	November 1, 2018 - November 30, 2018	71,960	57,476	-	-	288,582	143,736
Alvarez & Marsal (FA for Trustee) - Accrued	December 1, 2018 - December 31, 2018	70,000	-	-	-	288,582	213,736
Gem Certification & Assurance Lab, Inc.	August 1, 2018 - August 31, 2018	44,188	35,350	-	35,350	35,350	8,838
Gem Certification & Assurance Lab, Inc.	September 1, 2018 - September 30, 2018	73,050	58,440	-	58,440	93,790	23,448
Gem Certification & Assurance Lab, Inc.	October 1, 2018 - October 31, 2018	29,313	23,450	23,450	-	117,240	29,310
Gem Certification & Assurance Lab, Inc.	November 1, 2018 - November 30, 2018	24,363	19,490	19,490	-	136,730	34,183
Gem Certification & Assurance Lab, Inc.	December 1, 2018 - December 31, 2018	36,375	-	-	-	136,730	70,558
Fasken Martineau DuMoulin LLP	November 1, 2018 - November 30, 2018	1,167	936	-	-	-	1,167
Fasken Martineau DuMoulin LLP	December 1, 2018 - December 31, 2018	1,250	1,007	-	-	-	2,417
Michael J. Agusta	October 1, 2018 - December 31, 2018	4,161	-	-	-	-	4,161
TOTAL PAYMENTS TO PROFESSIONALS		5,347,797	3,963,237	768,620	3,331,770	4,100,390	1,247,407

* INCLUDE ALL FEES INCURRED, BOTH APPROVED AND UNAPPROVED, PER THE MONTHLY FEE STATEMENT FILED.

POST-PETITION STATUS OF SECURED NOTES, LEASES PAYABLE AND ADEQUATE PROTECTION PAYMENTS

NAME OF CREDITOR	SCHEDULED MONTHLY PAYMENT DUE	AMOUNT PAID DURING MONTH	TOTAL UNPAID POST-PETITION
HSBC Bank USA (Secured Pre-Petition Bank Loan)		-	-
Israel Discount Bank of NY (Secured Pre-Petition Bank Loan)		-	-
HSBC Bank USA (Post-Petition Interest on Secured Bank Loan)		-	-
Israel Discount Bank of NY (Post-Petition Interest on Secured Bank Loan)		-	-
22 Rock Plaza (April Rent for 22 West 48th Street NYC)	-	-	-
UOB Realty (USA) Limited Partnership (April Rent for 592 5th Avenue 3rd Fl NYC)	32,370	35,288	-
Shine Properties LLC (Rent for 160 Griffith St 1st Fl, Jersey City, NJ) (Note: The monthly rent is paid by A. Jaffe, the Company's affiliate, since the space is occupied by A. Jaffe.)	-	-	-
TFS Leasing / Toshiba Business Solutions (Lease Agreement (Pre Petition A/P))		-	-
TFS Leasing (Lease Agreement (Payable noted in the Post Petition A/P)) (Note: The payment for May was made the end of April.)	-	-	-
TOTAL PAYMENTS		35,288	-

In re Firestar Diamond Inc & Fantasy Inc (Combined)

Case No. 18-10509 (SHL) / 18-10511 (SHL)

Debtor

Reporting Period: 12/1/18 - 12/31/18

DEBTOR QUESTIONNAIRE

Must be completed each month. If the answer to any of the questions is "Yes", provide a detailed explanation of each item. Attach additional sheets if necessary.		Yes	No
1	Have any assets been sold or transferred outside the normal course of business this reporting period?		X
2	Have any funds been disbursed from any account other than a debtor in possession account this reporting period?		X
3	Is the Debtor delinquent in the timely filing of any post-petition tax returns?		X
4	Are workers compensation, general liability or other necessary insurance coverages expired or cancelled, or has the debtor received notice of expiration or cancellation of such policies?		X
5	Is the Debtor delinquent in paying any insurance premium payment?		X
6	Have any payments been made on pre-petition liabilities this reporting period?		X
7	Are any post petition receivables (accounts, notes or loans) due from related parties? *	X	
8	Are any post petition payroll taxes past due?		X
9	Are any post petition State or Federal income taxes past due?		X
10	Are any post petition real estate taxes past due?		X
11	Are any other post petition taxes past due?		X
12	Have any pre-petition taxes been paid during this reporting period?		X
13	Are any amounts owed to post petition creditors delinquent?		X
14	Are any wage payments past due?		X
15	Have any post petition loans been received by the Debtor from any party?		X
16	Is the Debtor delinquent in paying any U.S. Trustee fees?		X
17	Is the Debtor delinquent with any court ordered payments to attorneys or other professionals?		X
18	Have the owners or shareholders received any compensation outside of the normal course of business?		X

** Operating Expenses from Old AJ, Inc.

Firestar Diamond, Inc.

Cash Register

12/1/18 - 12/31/18

Firestar Diamond Inc. Detail Trial Balance

Includes Activities from December 1, 2018 to December 31, 2018

HSBC DIP Account # 9209

Posting Date	Description	Debit Activities	Credit Activities	Balance
Account: 11110	Beginning Balance			12,723.37
12/18/2018	Bank Charges		57.99	
11/9/2018	Internal transfer to account 3004		12,665.38	
	Ending Balance	-	12,723.37	-

December 2018 Total	Amount
Administrative	(57.99)
Transfers (To DIP Accts)	(12,665.38)

HSBC DIP Account # 3004

Posting Date	Description	Debit Activities	Credit Activities	Balance
Account: 11111	Beginning Balance			1,662,473.84
12/3/2018	Cost Reduction Solutions		19,870.81	
12/4/2018	ADP LLC		29,973.87	
12/5/2018	RELX, Inc. DBA Reed Exhibitions		5,500.00	
12/5/2018	ARC Excess and Surplus LLC		4,387.00	
12/5/2018	Cost Reduction Solutions		4,460.00	
12/6/2018	A/R Collection - A. Jaffe	12,852.46		
12/6/2018	Malca-Amit Customhouse Brokers		2,006.57	
12/6/2018	3TB Hard Drive - Check 28724		130.64	
12/6/2018	Boxes - Check 28728		564.48	
12/7/2018	Levon Dursunian Repairs - Check 28730		2,450.00	
12/7/2018	Levon Dursunian Repairs - Check 28729		6,440.00	
12/7/2018	Guardian Insurance		414.58	
12/8/2018	Securenet - Check 28726		901.49	
12/11/2018	Jenner and Block		85,322.24	
12/12/2018	Alvarez and Marsal		117,926.83	
12/12/2018	Cost Reduction Solutions		4,500.00	
12/13/2018	Omni Management Group		4,703.37	
12/13/2018	Malca-Amit Customhouse Brokers		70.85	
12/14/2018	Sunshine Diamond Cutter Inc. - Check 28715		770.00	
12/17/2018	A/R Collection - A. Jaffe and Reeds	28,942.50		
12/17/2018	Petty Cash		200.00	
12/18/2018	ADP LLC		142,861.03	
12/18/2018	UOB Reality - Check 28725		35,287.88	
12/18/2018	Gem Certification & Assurance - Check 28735		23,450.00	
12/19/2018	JM Insurance Services - Check 28736		11,130.00	
12/19/2018	International Journal House - Check 28734		161.00	
12/20/2018	Baker and Hostetler		74,140.59	
12/20/2018	Alvarez and Marsal		48,546.87	
12/20/2018	Jenner and Block		303,973.94	
12/20/2018	Fanny Tavrez - Purchase of Office Equipment	65.00		
12/20/2018	Deposit - Unique A/R Collections	280,143.21		
12/20/2018	Tax Refund	224.39		
12/20/2018	Cost Reduction Solutions		4,470.00	
12/21/2018	Macys Vendor Payment	125,245.42		
12/21/2018	Levon Dursunian Repairs - Check 28741		6,705.00	
12/24/2018	Time Warner Cable - Spectrum		3,080.40	
12/24/2018	Deposit - Furniture Sales	2,519.50		
12/24/2018	Internal transfer from account 9209	12,665.38		
12/24/2018	Sydney Miranda-Tavarez - Check 28743		51.00	
12/24/2018	ADP LLC - Check 28744		652.31	
12/26/2018	Guardian Life Insurance - Check 28745		116.92	
12/26/2018	Mutual Security Services - Check 28739		217.58	
12/27/2018	Federal Express		112.72	
12/27/2018	Return furniture purchase		250.00	
12/27/2018	Securenet - Check 28740		342.93	
12/28/2018	Macys Vendor Payment	9,754.58		
12/31/2018	Internal transfer to account 9796		1,187,870.57	
12/31/2018	ADP LLC - Check 28731		572.81	
12/31/2018	Guardian Life Insurance - Check 28733		299.97	
		472,412.44	2,134,886.25	-

December 2018 Total	Amount
A/R Collections (Pre Petition)	-
A/R Collections (Post Petition)	321,938.17
Memo Sales (Post Petition)	135,000.00
Receipt from A. Jaffe (Affiliate) for shared expenses (Payroll, Payroll Ta	-
Transfer from Fantasy Inc for shared expenses	-
Miscellaneous Deposits	224.39
Sale of Assets	2,334.50
V Discovery (Restructuring Costs)	-
Claims Agent Reorg	4,703.37
US Trustee	-
Examiners Fees (Professional Fees)	74,140.59
Legal (KW) (Professional Fees)	-
Jenner/Trustee (Professional Fees)	389,296.18
Financial Advisors (MP and A&M) (Professional Fees)	166,473.70
Conflict Counsel (Professional Fees)	-
Special Counsel for IP Matters (Professional Fees)	-
CRO (Professional Fees)	-
GCAL (Professional Fees)	23,450.00
Transfers to DIP Accounts	1,187,870.57
Transfers from DIP Accounts	12,665.38
Rent Expenses	35,287.88
Vault Monitor (Administrative)	33,300.81
Contractor (Operations)	-
Appraisals (Operations)	-
Royalties (Operations)	-
Freight In (Operations)	2,190.14
Other Cost of Sales (Operations)	16,565.00
Marketing Expense (Operations)	5,500.00
Security Expenses (Operations)	1,462.00
Office Expenses (Administrative)	695.12
Net Payroll (Includes Employee's Taxes)	174,111.02
Employee Benefits	161.00
Insurance (Worker's Comp, Jeweler's Block & Other)	16,348.47
Telephone Expenses	3,080.40
Total GL Account Movement (Debits + Credits)	2,606,798.69

December 2018 Total	Amount
Transfers (To DIP Accts)	(10,417.46)

HSBC Payroll Account # 6799

Posting Date	Description	Debit Activities	Credit Activities	Balance
	Beginning Balance			10,417.46
12/21/2018	Internal transfer to United Bank account 9796		10,417.46	
	Ending Balance	-	10,417.46	-

December 2018 Total	Amount
Transfers (From DIP Accts)	1,198,288.03

Firestar United Bank Account (9796)

Posting Date	Description	Debit Activities	Credit Activities	Balance
	Beginning Balance			-
12/21/2018	Internal transfer from account 6799		10,417.46	
12/31/2018	Internal transfer from account 3004		1,187,870.57	
	Ending Balance	1,198,288.03	-	1,198,288.03

Total Firestar 1,670,700.47 2,158,027.08 1,198,288.03

Fantasy Inc.

Cash Register

12/1/18 - 12/31/18

Detail Trial Balance

Includes Activities from December 1, 2018 to December 31, 2018
Fantasy, Inc.

HSBC DIP Account #9441

Posting Date	Desc.	Debit	Credit	Balance	Amount	Description
	Beginning Balance			1,208,947	1,208,947.31	Transfer to Other DIP Accounts
12/24/2018	United Bank		1,208,947		1,208,947.31	Transfer From Other DIP Accounts
	Total Activities	-	1,208,947	1,208,947	115,259.48	Professional Fees
	Ending Balance			-	1,254.00	Insurance (Operations)
					23,939.74	Payroll (Operations)
	Report Total Beginning Balance. .			1,208,947		
	Report Total Activities	-	1,208,947	1,208,947		
	Report Total Ending Balance . . .			-		

United Bank Account #9842

Posting Date	Desc.	Debit	Credit	Balance
	Beginning Balance			-
12/24/2018	United Bank	1,208,947	-	
12/27/2018	Lackenbach Siegel LLP		18,119	
12/27/2018	Gem Certification & Assurance		19,490	
12/27/2018	ADP, LLC		23,940	
12/27/2018	Getzler Henrich		28,403	
12/27/2018	Jenner & Block		49,247	
12/31/2018	Jewelers Mutual Insurance		1,254	
	Total Activities	1,208,947	140,453	1,349,401
	Ending Balance			1,068,494
	Report Total Beginning Balance. .			-
	Report Total Activities	1,208,947	140,453	1,349,401
	Report Total Ending Balance . . .			1,068,494

	<u>12/1/18 - 12/31/18</u>
SALES	
Sales - Regular	-
Sales - Memo Reporting	135,000
Sales - Assets	2,559
Sales - Diamonds	-
	<u>137,559</u>
COST OF GOODS SOLD	
COGS - Regular	-
COGS - Memo Reporting	121,500
COGS - Closeouts	-
COGS - Loose Diamonds	-
Shipping Exp	2,190
Labor & Repairs	16,565
	<u>140,255</u>
GROSS PROFIT	<u>(2,696)</u>
Returns - Regular	-
	<u>-</u>
COGS - Regular / Returns	-
	<u>-</u>
NET SALES	137,559
COGS - NET SALES	140,255
REVISED GROSS PROFIT	<u>(2,696)</u>
SALARIES & P/R TAXES	
Salaries - Accounting	31,679
Salaries - Administration	11,661
Salaries - Diamonds	23,868
Salaries - Dist. & Operations	29,453
Salaries - Sales	77,450
Medicare - Emp Contribution	10,970
Social Sec. - Emp. Cont.	618
Federal Unemployment	262
401k Fees	1,462
NY SUI / MTA Tax	354
Group Insurance	11,742
Workman's Comp. Insurance	-
Insurance - Others (Emp.)	378
	<u>199,897</u>

	12/1/18 - 12/31/18
GENERAL & ADMIN EXP.	
Rent	35,288
Telephone Expenses	3,080
Bank Charges	58
Miscellaneous Exp.	695
Security Exp	1,462
Legal Fees	276,746
Professional Fees - Other	-
Omni Management Fee	33,504
Vault Monitors	33,301
UST Accrual	10,873
Marketing	5,500
	400,507
TOTAL EXP. BEFORE INT & DEP	600,404
EBIT	(603,100)
DEPRECIATION & AMORT.	
Depreciation - Comp. Equip.	-
Depreciation - Software	-
Depreciation - F & F	-
Depreciation - Displays	-
Amort. Goodwill	28,000
	28,000
Loss due to write off of fixed assets, and various prepaid accruals, provisions for depreciation, and accrued expenses	(782,555)
NET LOSS	(1,413,656)

FANTASY, INC.
INCOME STATEMENT
FOR THE PERIOD (12/1/18 - 12/31/18)

	12/1/18 - 12/31/18
SALES	
Sales - Regular	-
Sales - Diamonds	-
	-
COST OF GOODS SOLD	
COGS - Regular	-
Chargebacks	-
Shipping Exp / Freight	-
	-
GROSS PROFIT	-
Returns - Regular	-
	-
COGS - Regular / Returns	-
NET SALES	-
COGS - NET SALES	-
GROSS PROFIT NET OF RETURNS	-
REVISED GROSS PROFIT	-
SELLING EXPENSES	
Travel & Entertainment	-
	-
SALARIES & P/R TAXES	
Salaries - Accounting	-
Salaries - Administration	-
Salaries - Local Production	-
Salaries - Operations	-
Salaries - Product Development	-
Salaries - Sales	-
Payroll Taxes	-
	-
GENERAL & ADMIN EXP.	
Rent	-
Bank Charges	-
Legal Fees	-
Interest Expense	-
Misc	-
Provision for Bad Debts	-

FANTASY, INC.
INCOME STATEMENT
FOR THE PERIOD (12/1/18 - 12/31/18)

	12/1/18 - 12/31/18
	<hr/>
	-
TOTAL EXP. BEFORE INT & DEP	-
EBIT	-
Gain due to writeoff of Accrued Expenses and Advertising	55,236
NET LOSS BEFORE TAXES	55,236
NET LOSS	55,236

	12/1/18 - 12/31/18	December Groupings	
SALES			
Sales - Regular	-		
Sales - Memo Reporting	135,000		
Sales - Assets	2,559		
Sales - Diamonds	-		
	137,559	137,559	Gross Sales
		-	Returns and Allowances
COST OF GOODS SOLD		137,559	Net Sales
COGS - Regular	121,500	13,441,650	Beginning Inventory
COGS - Memo Reporting	-	-	Purchases
COGS - Closeouts	-	-	Direct Labor
COGS - Diamonds	-	-	Writeoff of Inventory
Royalty Expenses	-	-	Appraisal Fees
Advertising Co-Op.	-	-	Freight In
Markdowns & Allowances	-	106,944	Other Cost of Sales/Adjustments
Chargeback Write-Off	-	(13,410,529)	Ending Inventory
Appraisal Fees	-	138,065	Cost of Goods Sold
Shipping Exp	2,190		
Purchase - Freight	-	(506)	Gross Profit
GemEx - Grading	-		
EDI Services	-	77,450	Selling Salaries
Vendor Portal Charges	-	-	Selling Commissions
Outside Labor	-	-	Prov bad debt
Repairs	16,565	5,500	Advertising & Marketing Expense
Other	-	2,190	Shipping Expense
	140,255	-	Royalty Expenses
		85,141	Selling Expense
GROSS PROFIT	(2,696)	96,661	Office Salaries
Returns - Regular	-	276,746	Professional Fees
	-	28,000	Depreciation and Amortization
		35,288	Rent
COGS - Regular / Returns	-	-	Computer Expenses
	-	-	Back Office Expense
		33,301	Vault Monitors
		12,204	Payroll Taxes
NET SALES	137,559	11,742	Employee Benefits
COGS - NET SALES	140,255	378	Insurance
		3,619	Office Expenses
GROSS PROFIT NET OF RETURNS	(2,696)	3,080	Telephone Expenses
		404,358	G&A
OTHER DILUTION ITEMS		58	Bank Charges
		-	Interest Expense
Dilution On Returns / Melt Loss	-	-	Bank Attorney Fees
OTHER INCOME		33,504	Omni Management Fee
Royalty Income	-	-	Director Fee
		-	CRO
REVISED GROSS PROFIT	(2,696)	10,873	US Trustee
		-	V Discovery
		727,319	Loss due to writeoff of Fixed Assets and a
SELLING EXPENSES		(1,358,420)	Net Loss
Travel - Fare	-		
Travel - Lodging	-		
Travel - Meals & Entertainment	-		
Show Expense	-		

	12/1/18 - 12/31/18	December
SALARIES & P/R TAXES		
Salaries - Accounting	31,679	
Salaries - Administration	11,661	
Salaries - Diamonds	23,868	
Salaries - Dist. & Operations	29,453	
Salaries - Sales	77,450	
Temp Help	-	
Medicare - Emp Contribution	10,970	
Social Sec. - Emp. Cont.	618	
Federal Unemployment	262	
401k Fees	1,462	
NY SUI / MTA Tax	354	
Group Insurance	11,742	
Workman's Comp. Insurance	-	
Insurance - Others (Emp.)	378	
	199,897	
GENERAL & ADMIN EXP.		
Rent	35,288	
Telephone Expenses	3,080	
Bank Charges	58	
Miscellaneous Exp.	695	
Security Exp	1,462	
Legal Fees	276,746	
Omni Management Fee	33,504	
Vault Monitors	33,301	
UST Accrual	10,873	
Marketing	5,500	
	400,507	
Gain/(loss) due to write off of various fixed assets, prepaid accruals, provisions for deprectiation, and accrued	(727,319)	
TOTAL EXP. BEFORE INT & DEP	1,327,723	
EBIT	(1,330,420)	
DEPRECIATION & AMORT.		
Depreciation - Comp. Equip.	-	
Depreciation - Software	-	
Depreciation - F & F	-	
Depreciation - Displays	-	
Amort. Goodwill	28,000	
	28,000	
Interest Expenses	-	
Provision for Bad Debt	-	
HSBC Line Fees	-	
NET LOSS	(1,358,420)	

FIRESTAR DIAMOND, INC.
BALANCE SHEET (INCLUDES INTERCOMPANY BALANCE WITH FANTASY INC)
FOR THE PERIOD (12/1/18 - 12/31/18)

	<u>12/31/2018</u>
CURRENT ASSETS	
Cash - HSBC Bank	-
Cash - AR Account	-
Cash - Payroll Account	-
Cash - IDB Bank	-
Cash - United Bank Account	1,198,288
Petty Cash	-
Accounts Receivables	5,963,598
Accounts Receivables in Escrow	16,645
Allowance for Bad Debts	-
Prepaid Expenses	-
Prepaid Insurance	-
Prepaid Other Taxes	-
Prepaid Royalty	-
	<u>7,178,530</u>
OTHER ASSETS	
Due from FGI - CP	(59,593)
Deferred Tax Asset - Short & Long Term	107,000
Loans & Exchanges	2,335,132
Investment in Subsidiary	250,000
Deposits	(72,001)
	<u>2,560,538</u>
INVENTORY	
Inventory - Finished Goods	7,687,600
Inventory - Memo Consignment	1,612,027
	<u>9,299,627</u>
FIXED ASSETS	
Machinery & Equipment	-
Computer Equipment	-
Software	-
Furniture & Fixtures	-
Leasehold Improvements	-
Trademark	-
Prepaid Displays	-
Goodwill	-
	<u>-</u>
Prov. For Dep. - M & E	-
Prov. For Dep. - Comp. Equip.	-
Prov. For Dep. - Software	-
Prov. For Dep. - F & F	-
Prov. For Dep. - LHI	-
Prov. For Dep. - Displays	-
Prov. For Amort. - Trademark / Goodwill	-
	<u>-</u>
NET FIXED & INTANGIBLES	<u>-</u>
TOTAL ASSETS	19,038,695

FIRESTAR DIAMOND, INC.**BALANCE SHEET (INCLUDES INTERCOMPANY BALANCE WITH FANTASY INC)
FOR THE PERIOD (12/1/18 - 12/31/18)**12/31/2018**CURRENT LIABILITIES**

Accounts Payable	26,229,125
Accrued Expenses	-
Accrued Professional Fees	1,247,407
Accrued Payroll	-
Accrued Advertising	-
Accrued Commissions - Others (Prepaid	
Commissions for June for JP - Verityj)	-
Accrued Disability	-
401k Payable	-
	<u>27,476,532</u>

LOANS PAYABLE

Deferred Taxes - Long Term	-
Sub-Debt - Synergies Corp.	7,941,500
Sub-Debt - Firestar Holdings Ltd - HK	4,058,500
	<u>12,000,000</u>

CAPITAL ACCOUNT

Common Stock	110
Paid In Capital	4,705,790
Retained Earnings	(23,730,081)
Net Income / (Loss)	(1,413,656)
	<u>(20,437,837)</u>

TOTAL LIABILITIES & RETAINED EARNINGS 19,038,695

FANTASY, INC.
BALANCE SHEET (INCLUDES INTERCOMPANY
BALANCE WITH FIRESTAR DIAMOND INC)
FOR THE PERIOD (12/1/18 - 12/31/18)

	<u>12/31/2018</u>
CURRENT ASSETS	
Cash In Bank	1,068,494
Accounts Receivables	2,059,147
Allowance for Chargebacks	-
	<u>3,127,642</u>
INVENTORY	
Inventory - Finished Goods	3,911,135
Inventory - Memo Consignment	199,768
	<u>4,110,903</u>
TOTAL ASSETS	<u>7,238,544</u>
CURRENT LIABILITIES	
Accounts Payable	5,744,524
Accrued Expenses - FSI	-
Accrued Advertising	-
	<u>5,744,524</u>
CAPITAL ACCOUNT	
Common Stock	100
Paid In Capital	249,900
Retained Earnings	1,188,785
Net Income / (Loss)	55,236
	<u>1,494,021</u>
TOTAL LIABILITIES & RETAINED EARNINGS	<u>7,238,545</u>

	12/31/2018	INTERCOMPANY ELIMINATIONS	CONSOLIDATED 12/30/18	Groupings
CURRENT ASSETS				
Cash - HSBC Bank	-		-	2,266,782 Cash
Cash - AR Account	-		-	
Cash - Payroll Account	-		-	
Cash - IDB Bank	-		-	
Petty Cash	-		-	
Cash - United Bank Account	2,266,782		2,266,782	
Accounts Receivables	8,022,745	(125,656)	7,913,734	7,913,734 A/R
Accounts Receivables in Escrow	16,645			
Prepaid Expenses	-		-	- Prepaid Expenses
	10,306,172		10,180,516	10,180,516 Total Current Assets
OTHER ASSETS				
Due from FGI - CP (Related Party)	(59,593)		(59,593)	2,275,539 Amount due from Insiders
Deferred Tax Asset - Short & Long Term	107,000		107,000	
Loans & Exchanges (Related Parties)	2,335,132		2,335,132	
Investment in Subsidiary	250,000	(250,000)	-	
Deposits	(72,001)		(72,001)	34,999 Other Assets
	2,560,538		2,310,538	
INVENTORY				
Inventory - Finished Goods	11,598,735		11,598,735	
Inventory - Memo Consignment	1,811,795		1,811,795	
	13,410,529		13,410,529	13,410,529 Inventory
TOTAL ASSETS	26,277,240	(375,656)	25,901,584	25,901,584 Total Assets
CURRENT LIABILITIES				
Accounts Payable	31,973,648	(125,656)	31,847,992	- Accrued Expenses
Accrued Expenses	-		-	- Deferred Rent
Accrued Professional Fees	1,247,407		1,247,407	1,247,407 Post Petition Accrued Professional Fees
Accrued Advertising	-		-	
Accrued Commissions - Others (Prepaid Commissions for May & June for JP - Verityj)	-		-	
Accrued Payroll	-		-	- Accrued Payroll
Accrued Disability	-		-	- Other Post Petition Liabilities
401k Payable	-		-	
Accrued Interest Payable - Bank	-		-	- Secured Interest (Post)
Accrued Interest Payable - Others	-		-	
	33,221,056		33,095,400	43,847,992 Unsecured Debt
				- Insiders (Included in Accrued Payroll)

	12/31/2018	INTERCOMPANY ELIMINATIONS	CONSOLIDATED 12/30/18	Groupings
LOANS PAYABLE				
Loans Payable - HSBC	-		-	
Loans Payable - IDB	-		-	- Pre-Petition Secured Debt
Deferred Taxes - Long Term	-		-	- Deferred Taxes - Long term
Sub-Debt - Synergies Corp.	7,941,500		7,941,500	
Sub-Debt - Firestar Holdings Ltd - HK	4,058,500		4,058,500	
	<u>12,000,000</u>		<u>12,000,000</u>	
CAPITAL ACCOUNT				
Common Stock	210	(100)	110	110 Capital Stock
Paid In Capital	4,955,690	(249,900)	4,705,790	4,705,790 Additional Paid In Capital
Retained Earnings	(22,541,296)		(22,541,296)	(23,899,716) Retained Earnings
Net Income / (Loss)	<u>(1,358,420)</u>		<u>(1,358,420)</u>	
	(18,943,816)	<u>(250,000)</u>	(19,193,816)	
TOTAL LIABILITIES & RETAINED EARNINGS	26,277,240	(375,656)	25,901,584	25,901,584

Firestar Diamond Inc / Fantasy Inc

Consolidated Post-Petition A/P

As of 12/31/18

By Vendor

Firestar Diamond, Inc.

Vendor	Balance Due	Current	Up to 30 Days	31-60 Days	Over 60 Days
Omni Management	4,162	4,162	-	-	-
V Discovery	14,375	-	-	9,565	4,810
IBM Corporation	1,125	-	-	-	1,125
Amtrust North America, Inc	9,070	-	-	-	9,070
International Gemological	(383)	-	-	95	(477)
Cost Reduction Solutions	8,970	8,970	-	-	-
I & C Creation Jewelry LLLC	1,765	-	-	10	1,755
GXS	392	-	-	-	392
Totals	39,477	13,132	-	9,670	16,675

Fantasy, Inc.

Vendor	Balance Due	Current	Up to 30 Days	31-60 Days	Over 60 Days
Adwar Casting Co., Ltd	(1,167)	-	-	-	(1,167)
Delstar USA LLC	32,636	-	-	-	32,636
Diagold Creation Pvt. Ltd.	262	-	-	-	262
Federal Express Corp	3,271	-	-	-	3,271
Fremada Gold Inc.	1,286	-	-	-	1,286
Guild Facet	(904)	-	-	-	(904)
I & C Creation Jewelry LLC	5	-	-	-	5
International Gemological	1,020	-	-	-	1,020
Malca-Amit Usa, Llc	6,982	-	-	-	6,982
National Chain Group	283	-	-	-	283
TJS	331	-	-	-	331
Totals	44,005	-	-	-	44,005
Combined Totals	83,482	13,132	-	9,670	60,680

P.O. Box 1393
Buffalo, NY 14240-1393

Questions?
Call 1.877.472.2249
TTY 1.800.898.5999
us.hsbc.com
Or write:
HSBC
P.O. Box 9
Buffalo, New York 14240

FIRESTAR DIAMOND INC - DEBTOR-IN-
POSSESSION
A-R ACCOUNT
592 5TH AVE
FL 3
NEW YORK NY 100364707


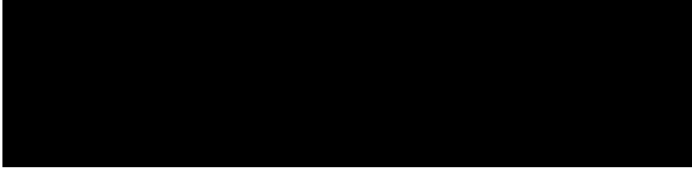


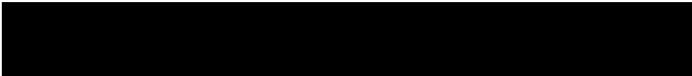
HSBC CORP ANALYZED

ACCOUNT NUMBER  63004

STATEMENT PERIOD 12/01/18 TO 12/31/18

*FIRESTAR DIAMOND INC - DEBTOR-IN-
POSSESSION
A-R ACCOUNT*

BEGINNING BALANCE	\$1,662,473.84
DEPOSITS & OTHER ADDITIONS	\$472,412.44
WITHDRAWALS & OTHER SUBTRACTIONS	\$2,101,170.86
ENDING BALANCE	\$33,715.42

DATE POSTED	DESCRIPTION OF TRANSACTIONS	DEPOSITS & OTHER ADDITIONS	WITHDRAWALS & OTHER SUBTRACTIONS	BALANCE
12/01/18	OPENING BALANCE			\$1,662,473.84
12/04/18			29,973.87	\$1,632,499.97
12/05/18			5,500.00	\$1,626,999.97
			4,387.00	\$1,622,612.97
12/06/18	DEPOSIT	12,852.46		\$1,635,465.43
			2,006.57	\$1,633,458.86
	Check #28724		130.64	\$1,633,328.22
	Check #28728		564.48	\$1,632,763.74
12/07/18	Check #28730		2,450.00	\$1,630,313.74
	Check #28729		6,440.00	\$1,623,873.74
12/10/18	Check #28726		901.49	\$1,622,972.25
12/11/18			85,322.24	\$1,537,650.01

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Please examine your statement at once.

If you change your address, please notify us of your new address.

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12/12/18			117,926.83	\$1,419,723.18
12/13/18			4,703.37	\$1,415,019.81
			70.85	\$1,414,948.96
12/14/18	Check #28715		770.00	\$1,414,178.96
12/17/18	DEPOSIT	28,942.50		\$1,443,121.46
	CHECK #28738		200.00	\$1,442,921.46
12/18/18			142,861.03	\$1,300,060.43
	Check #28725		35,287.88	\$1,264,772.55
	Check #28735		23,450.00	\$1,241,322.55
12/19/18	Check #28736		11,130.00	\$1,230,192.55
	Check #28734		161.00	\$1,230,031.55
12/20/18			74,140.59	\$1,155,890.96
			48,546.87	\$1,107,344.09
			303,973.94	\$803,370.15
	DEPOSIT	65.00		\$803,435.15
	DEPOSIT	280,143.21		\$1,083,578.36
	DEPOSIT	224.39		\$1,083,802.75
12/21/18		125,245.42		\$1,209,048.17
	Check #28741		6,705.00	\$1,202,343.17
12/24/18			3,080.40	\$1,199,262.77
	DEPOSIT	2,519.50		\$1,201,782.27
		12,665.38		\$1,214,447.65
	Check #28743		51.00	\$1,214,396.65
	Check #28744		652.31	\$1,213,744.34
12/26/18	Check #28745		116.92	\$1,213,627.42
	Check #28739		217.58	\$1,213,409.84
12/27/18			112.72	\$1,213,297.12
			250.00	\$1,213,047.12
	Check #28740		342.93	\$1,212,704.19
12/28/18		9,754.58		\$1,222,458.77
12/31/18			1,187,870.57	\$34,588.20
	Check #28731		572.81	\$34,015.39
	Check #28733		299.97	\$33,715.42
12/31/18	ENDING BALANCE			\$33,715.42

All deposited items are credited subject to final payment.

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CHECK IMAGE ACTIVITY

FIRESTAR DIAMOND, INC. HSBC 028724
500 FIFTH AVENUE, 3RD FLOOR
NEW YORK, NY 10036
1-100210
Check No: 28724
DR
*** ONE HUNDRED THIRTY AND 04/100 ***
DATE December 3, 2018 AMOUNT ***130.64***
FIRESTAR DIAMOND, INC.
D.D. HUNT BULL
AUTHORIZED SIGNATURE

Check: 28724 Date: 12/6/18 Paid: 130.64

Back of check 28724

FIRESTAR DIAMOND, INC. HSBC 028728
500 FIFTH AVENUE, 3RD FLOOR
NEW YORK, NY 10036
1-100210
Check No: 28728
DR
*** FIVE HUNDRED SIXTY FOUR AND 48/100 ***
DATE December 5, 2018 AMOUNT ***564.48***
FIRESTAR DIAMOND, INC.
D.D. HUNT BULL
AUTHORIZED SIGNATURE

Check: 28728 Date: 12/6/18 Paid: 564.48

Back of check 28728

FIRESTAR DIAMOND, INC. HSBC 028730
500 FIFTH AVENUE, 3RD FLOOR
NEW YORK, NY 10036
1-100210
Check No: 28730
DIP
*** TWO THOUSAND FOUR HUNDRED FIFTY AND 01/100 ***
DATE December 7, 2018 AMOUNT ***2,450.00***
FIRESTAR DIAMOND, INC.
D.D. HUNT BULL
AUTHORIZED SIGNATURE

Check: 28730 Date: 12/7/18 Paid: 2,450.00

Back of check 28730

FIRESTAR DIAMOND, INC. HSBC 028729
500 FIFTH AVENUE, 3RD FLOOR
NEW YORK, NY 10036
1-100210
Check No: 28729
DIP
*** SIX THOUSAND FOUR HUNDRED FORTY AND 01/100 ***
DATE December 6, 2018 AMOUNT ***6,440.00***
FIRESTAR DIAMOND, INC.
D.D. HUNT BULL
AUTHORIZED SIGNATURE

Check: 28729 Date: 12/7/18 Paid: 6,440.00

Back of check 28729

FIRESTAR DIAMOND, INC. HSBC 028726
500 FIFTH AVENUE, 3RD FLOOR
NEW YORK, NY 10036
1-100210
Check No: 28726
DIP
*** NINE HUNDRED ONE AND 49/100 ***
DATE December 3, 2018 AMOUNT ***901.49***
FIRESTAR DIAMOND, INC.
D.D. HUNT BULL
AUTHORIZED SIGNATURE

Check: 28726 Date: 12/10/18 Paid: 901.49

Back of check 28726

FIRESTAR DIAMOND, INC. HSBC 028715
500 FIFTH AVENUE, 3RD FLOOR
NEW YORK, NY 10036
1-100210
Check No: 28715
DIP
*** SEVEN HUNDRED SEVENTY AND 01/100 ***
DATE November 6, 2018 AMOUNT ***770.00***
FIRESTAR DIAMOND, INC.
D.D. HUNT BULL
AUTHORIZED SIGNATURE

Check: 28715 Date: 12/14/18 Paid: 770.00

Back of check 28715

FIRESTAR DIAMOND, INC. HSBC 028738
500 FIFTH AVENUE, 3RD FLOOR
NEW YORK, NY 10036
1-100210
Check No: 28738
DR
*** TWO HUNDRED AND 01/100 ***
DATE December 17, 2018 AMOUNT ***200.00***
FIRESTAR DIAMOND, INC.
D.D. HUNT BULL
AUTHORIZED SIGNATURE

Check: 28738 Date: 12/17/18 Paid: 200.00

Back of check 28738

FIRESTAR DIAMOND, INC. HSBC 028725
500 FIFTH AVENUE, 3RD FLOOR
NEW YORK, NY 10036
1-100210
Check No: 28725
DIP
*** THIRTY FIVE THOUSAND TWO HUNDRED EIGHTY SEVEN AND 88/100 ***
DATE December 3, 2018 AMOUNT ***35,287.88***
FIRESTAR DIAMOND, INC.
D.D. HUNT BULL
AUTHORIZED SIGNATURE

Check: 28725 Date: 12/18/18 Paid: 35,287.88

Back of check 28725

FIRESTAR DIAMOND, INC. HSBC 028735
500 FIFTH AVENUE, 3RD FLOOR
NEW YORK, NY 10036
1-100210
Check No: 28735
DIP
*** TWENTY THREE THOUSAND FOUR HUNDRED FIFTY AND 01/100 ***
DATE December 11, 2018 AMOUNT ***23,450.00***
FIRESTAR DIAMOND, INC.
D.D. HUNT BULL
AUTHORIZED SIGNATURE

Check: 28735 Date: 12/18/18 Paid: 23,450.00

Back of check 28735

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CHECK IMAGE ACTIVITY

FIRESTAR DIAMOND, INC. HSBC 028736
382 FIFTH AVENUE, 3RD FLOOR NEW YORK, NY 10006
1-108010
Check No: 28736
DP
ELEVEN THOUSAND ONE HUNDRED THIRTY AND 01/100
DATE December 11, 2018 AMOUNT ***11,130.00***
PAY TO THE ORDER OF [REDACTED]
FIRESTAR DIAMOND, INC.
AUTHORIZED SIGNATURE

Check: 28736 Date: 12/19/18 Paid: 11,130.00

Back of check 28736

FIRESTAR DIAMOND, INC. HSBC 028734
382 FIFTH AVENUE, 3RD FLOOR NEW YORK, NY 10006
1-108010
Check No: 28734
DP
ONE HUNDRED SIXTY ONE AND 01/100
DATE December 11, 2018 AMOUNT ***161.00***
PAY TO THE ORDER OF [REDACTED]
FIRESTAR DIAMOND, INC.
AUTHORIZED SIGNATURE

Check: 28734 Date: 12/19/18 Paid: 161.00

Back of check 28734

FIRESTAR DIAMOND, INC. HSBC 028741
382 FIFTH AVENUE, 3RD FLOOR NEW YORK, NY 10006
1-108010
Check No: 28741
DP
SIX THOUSAND SEVEN HUNDRED FIVE AND 01/100
DATE December 19, 2018 AMOUNT ***6,705.00***
PAY TO THE ORDER OF [REDACTED]
FIRESTAR DIAMOND, INC.
AUTHORIZED SIGNATURE

Check: 28741 Date: 12/21/18 Paid: 6,705.00

Back of check 28741

FIRESTAR DIAMOND, INC. HSBC 028743
382 FIFTH AVENUE, 3RD FLOOR NEW YORK, NY 10006
1-108010
Check No: 28743
DP
FIFTY ONE AND 01/100
DATE December 20, 2018 AMOUNT ***51.00***
PAY TO THE ORDER OF [REDACTED]
FIRESTAR DIAMOND, INC.
AUTHORIZED SIGNATURE

Check: 28743 Date: 12/24/18 Paid: 51.00

Back of check 28743

FIRESTAR DIAMOND, INC. HSBC 028744
382 FIFTH AVENUE, 3RD FLOOR NEW YORK, NY 10006
1-108010
Check No: 28744
DP
SIX HUNDRED FIFTY TWO AND 31/100
DATE December 21, 2018 AMOUNT ***652.31***
PAY TO THE ORDER OF [REDACTED]
FIRESTAR DIAMOND, INC.
AUTHORIZED SIGNATURE

Check: 28744 Date: 12/24/18 Paid: 652.31

Back of check 28744

FIRESTAR DIAMOND, INC. HSBC 028745
382 FIFTH AVENUE, 3RD FLOOR NEW YORK, NY 10006
1-108010
Check No: 28745
DP
ONE HUNDRED SIXTEEN AND 92/100
DATE December 21, 2018 AMOUNT ***116.92***
PAY TO THE ORDER OF [REDACTED]
FIRESTAR DIAMOND, INC.
AUTHORIZED SIGNATURE

Check: 28745 Date: 12/26/18 Paid: 116.92

Back of check 28745

FIRESTAR DIAMOND, INC. HSBC 028739
382 FIFTH AVENUE, 3RD FLOOR NEW YORK, NY 10006
1-108010
Check No: 28739
DP
TWO HUNDRED SEVENTEEN AND 58/100
DATE December 18, 2018 AMOUNT ***217.58***
PAY TO THE ORDER OF [REDACTED]
FIRESTAR DIAMOND, INC.
AUTHORIZED SIGNATURE

Check: 28739 Date: 12/26/18 Paid: 217.58

Back of check 28739

FIRESTAR DIAMOND, INC. HSBC 028740
382 FIFTH AVENUE, 3RD FLOOR NEW YORK, NY 10006
1-108010
Check No: 28740
DP
THREE HUNDRED FORTY TWO AND 90/100
DATE December 18, 2018 AMOUNT ***342.93***
PAY TO THE ORDER OF [REDACTED]
FIRESTAR DIAMOND, INC.
AUTHORIZED SIGNATURE

Check: 28740 Date: 12/27/18 Paid: 342.93

Back of check 28740

FIRESTAR DIAMOND, INC. HSBC 028731
382 FIFTH AVENUE, 3RD FLOOR NEW YORK, NY 10006
1-108010
Check No: 28731
DP
FIVE HUNDRED SEVENTY TWO AND 81/100
DATE December 7, 2018 AMOUNT ***572.81***
PAY TO THE ORDER OF [REDACTED]
FIRESTAR DIAMOND, INC.
AUTHORIZED SIGNATURE

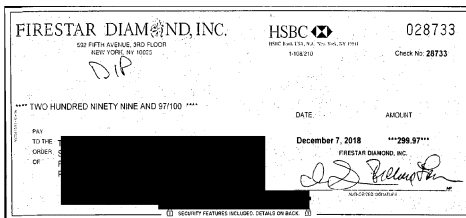
Check: 28731 Date: 12/31/18 Paid: 572.81

Back of check 28731

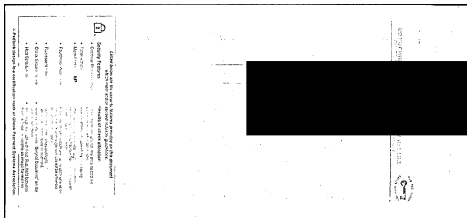
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CHECK IMAGE ACTIVITY



Check: 28733 Date: 12/31/18 Paid: 299.97



Back of check 28733

For Consumer Accounts Only:

IN CASE OF ERRORS OR QUESTIONS ABOUT YOUR ELECTRONIC TRANSFERS

Electronic transfers (called transfers below) means a) deposits, withdrawals, or payments made at an ATM or store terminal, b) bill payer transfers c) all other electronic transfers (e.g., payroll deposits, Social Security deposits, insurance payments, etc.).

If you think your statement or receipt is wrong, or if you need more information about a transfer on the statement or receipt, TELEPHONE US OR WRITE TO US AS SOON AS YOU CAN – USE THE TELEPHONE NUMBER OR ADDRESS ON THE FRONT OF THIS STATEMENT.

We must hear from you no later than 60 days after we sent you the FIRST statement on which the error or problem appeared.

- (1) Tell us your name and account number (if any).
- (2) Describe the error or the transfer you are unsure about, and explain as clearly as you can why you believe there is an error or why you need more information.
- (3) Tell us the dollar amount of the suspected error.

We will investigate your complaint and will correct any error promptly. If we take more than 10 business days to do this, we will credit your account for the amount you think is in error, so that you will have the use of the money during the time it takes to complete our investigation.

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P.O. Box 1393
Buffalo, NY 14240-1393

Questions?
Call 1.877.472.2249
TTY 1.800.898.5999
us.hsbc.com
Or write:
HSBC
P.O. Box 9
Buffalo, New York 14240

FIRESTAR DIAMOND INC - DEBTOR-IN-
POSSESSION
592 5TH AVE
FL 3
NEW YORK NY 100364707

HSBC CORP ANALYZED

ACCOUNT NUMBER [REDACTED] 6799

STATEMENT PERIOD 12/01/18 TO 12/31/18

*FIRESTAR DIAMOND INC - DEBTOR-IN-
POSSESSION*

BEGINNING BALANCE	\$10,417.46
DEPOSITS & OTHER ADDITIONS	\$0.00
WITHDRAWALS & OTHER SUBTRACTIONS	\$10,417.46
ENDING BALANCE	\$0.00

DATE POSTED	DESCRIPTION OF TRANSACTIONS	DEPOSITS & OTHER ADDITIONS	WITHDRAWALS & OTHER SUBTRACTIONS	BALANCE
12/01/18	OPENING BALANCE			\$10,417.46
12/21/18	[REDACTED]		10,417.46	\$0.00
12/31/18	ENDING BALANCE			\$0.00

All deposited items are credited subject to final payment.

For Consumer Accounts Only:

IN CASE OF ERRORS OR QUESTIONS ABOUT YOUR ELECTRONIC TRANSFERS

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c) all other electronic transfers (e.g., payroll deposits, Social Security deposits, insurance payments, etc.).

If you think your statement or receipt is wrong, or if you need more information about a transfer on the statement or receipt, TELEPHONE US OR
WRITE TO US AS SOON AS YOU CAN – USE THE TELEPHONE NUMBER OR ADDRESS ON THE FRONT OF THIS STATEMENT.

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- (2) Describe the error or the transfer you are unsure about, and explain as clearly as you can why you believe there is an error or why you need more information.
- (3) Tell us the dollar amount of the suspected error.

We will investigate your complaint and will correct any error promptly. If we take more than 10 business days to do this, we will credit your account for the amount you think is in error, so that you will have the use of the money during the time it takes to complete our investigation.

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P.O. Box 1393
Buffalo, NY 14240-1393

Questions?
Call 1.877.472.2249
TTY 1.800.898.5999
us.hsbc.com
Or write:
HSBC
P.O. Box 9
Buffalo, New York 14240

FIRESTAR DIAMOND INC - DEBTOR-IN-
POSSESSION
OPERATING ACCOUNT
592 5TH AVE
FL 3
NEW YORK NY 100364707



HSBC CORP ANALYZED

ACCOUNT NUMBER  9209

STATEMENT PERIOD 12/01/18 TO 12/31/18

*FIRESTAR DIAMOND INC - DEBTOR-IN-
POSSESSION
OPERATING ACCOUNT*

BEGINNING BALANCE	\$12,723.37
DEPOSITS & OTHER ADDITIONS	\$0.00
WITHDRAWALS & OTHER SUBTRACTIONS	\$12,723.37
ENDING BALANCE	\$0.00

DATE POSTED	DESCRIPTION OF TRANSACTIONS	DEPOSITS & OTHER ADDITIONS	WITHDRAWALS & OTHER SUBTRACTIONS	BALANCE
12/01/18	OPENING BALANCE			\$12,723.37
12/18/18			57.99	\$12,665.38
12/24/18			12,665.38	\$0.00
12/31/18	ENDING BALANCE			\$0.00

All deposited items are credited subject to final payment.

CHECK IMAGE ACTIVITY

HSBC 

We're sorry, we are unable to provide an image copy of this item. Please note that this does not affect your account in any way.

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02-218

Check: Date: 12/24/18 Paid: 12,665.38

HSBC 

We're sorry, we are unable to provide an image copy of this item. Please note that this does not affect your account in any way.

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02-218

Back of check

Please examine your statement at once.

If you change your address, please notify us of your new address.

For Consumer Accounts Only:

IN CASE OF ERRORS OR QUESTIONS ABOUT YOUR ELECTRONIC TRANSFERS

Electronic transfers (called transfers below) means a) deposits, withdrawals, or payments made at an ATM or store terminal, b) bill payer transfers
c) all other electronic transfers (e.g., payroll deposits, Social Security deposits, insurance payments, etc.).

If you think your statement or receipt is wrong, or if you need more information about a transfer on the statement or receipt, TELEPHONE US OR
WRITE TO US AS SOON AS YOU CAN – USE THE TELEPHONE NUMBER OR ADDRESS ON THE FRONT OF THIS STATEMENT.

We must hear from you no later than 60 days after we sent you the FIRST statement on which the error or problem appeared.

- (1) Tell us your name and account number (if any).
- (2) Describe the error or the transfer you are unsure about, and explain as clearly as you can why you believe there is an error or why you need more information.
- (3) Tell us the dollar amount of the suspected error.

We will investigate your complaint and will correct any error promptly. If we take more than 10 business days to do this, we will credit your account for the amount you think is in error, so that you will have the use of the money during the time it takes to complete our investigation.

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PO Box 9020, 95 Elm Street
West Springfield, MA 01090-9020
866-959-BANK (2265)
www.bankatunited.com

Date 12/31/18

Page

1

Richard Levi n
919 Third Ave.
New York NY 10022

Questions:

(800) 634-7734

Banking@BMSAdvantage.com

BMSAdvantage.com

Case Number: 18-10509
Case Name: Firestar Diamond Inc.
Debtor
Trustee Number: 520258
Trustee Name: Richard Levi n
Trustee

Need more UPS supplies to send your deposits into United Bank? You can order supplies yourself by logging into <http://campusship.ups.com>. Complete instructions (including login credentials) may be found on the BMS Client Portal (<https://myResources.bms7.com>) > Request Supplies > UPS Information > Ordering Guide.

SUMMARY OF ACCOUNTS

ACCOUNT NUMBER	TYPE OF ACCOUNT	ENDING BALANCE
XXXXXXXXXXXX9796	CHECKING	1,198,288.03

..... CHECKING/MMA ACCOUNT.....

ACCOUNT TITLE: Richard Levi n

CHECKING		ENCLOSURES	0
ACCOUNT NUMBER	XXXXXXXXXXXX9796	Statement Dates	12/17/18 thru 12/31/18
PREVIOUS BALANCE	.00	DAYS IN STATEMENT PERIOD	15
2 DEPOSITS	1,198,288.03	AVERAGE BALANCE	86,830.84
DEBITS	.00	AVERAGE COLLECTED	86,830.84
SERVICE CHARGE	.00		
INTEREST PAID	.00		
NEW BALANCE	1,198,288.03		

ACTIVITY IN DATE ORDER

DATE	DESCRIPTION	AMOUNT	BALANCE
12/21	Wire Transfer Credit	10,417.46	10,417.46

12/31	Wire Transfer Credit	1,187,870.57	1,198,288.03
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IF YOUR NAME OR ADDRESS IS SHOWN INCORRECTLY, PLEASE COMPLETE THE SECTION
BELOW AND RETURN THIS SECTION TO US BY MAIL OR DELIVER TO OUR ADDRESS.

NAME

(PLEASE PRINT)

STREET
ADDRESS

CITY

STATE

ZIP CODE

DATE

AUTHORIZED
SIGNATURE

THIS CHANGE APPLIES TO:

☐ CHECKING ACCOUNT

☐ SAVINGS ACCOUNT

☐ MORTGAGE LOAN

☐ INSTALLMENT LOAN

☐ SAVINGS CERTIFICATE

☐ OTHER

† CUT ALONG THE DOTTED LINE †

USE THIS SECTION FOR RECONCILING YOUR ACCOUNT

CHECKS OUTSTANDING				DEPOSITS NOT ON STATEMENT		BEFORE RECONCILING	
NUMBER	AMOUNT	NUMBER	AMOUNT			• DEDUCT ANY SERVICE CHARGES OR OTHER DEBIT CHARGES ON STATEMENT FROM YOUR CHECKBOOK BALANCE	
		TOTAL FROM FIRST COLUMN				• ADD ANY INTEREST CREDITS OR OTHER CREDITS TO YOUR CHECKBOOK.	
						LAST BALANCE ON STATEMENT	
						ADD DEPOSITS NOT ON STATEMENT +	
						TOTAL	
						DEDUCT TOTAL CHECKS OUTSTANDING	
						YOUR CHECKBOOK SHOULD SHOW THIS BALANCE	
TOTAL TO TOP OF NEXT COLUMN		TOTAL CHECKS OUTSTANDING		TOTAL DEPOSITS		PLEASE CHECK CAREFULLY AND REPORT ANY DIFFERENCES	

IN CASE OF ERRORS OR
QUESTIONS ABOUT YOUR ELECTRONIC TRANSFERS

Telephone us at (866) 959-BANK or write us at United Bank, Operations Department, PO Box 9020, 95 Elm Street, West Springfield, MA 01090-9020, as soon as you can, if you think your statement or receipt is wrong or if you need more information about a transfer on the statement or receipt. We must hear from you no later than 60 days after we sent you the FIRST statement on which the error or problem appeared.

1. Tell us your name and account number.
2. Describe the error or transfer you are unsure about, and explain as clearly as you can why you believe there is an error or why you need more information.
3. Tell us the dollar amount of the suspected error.

We will investigate your complaint and will correct any error promptly. If we take more than 10 business days to do this, we will credit your account for the amount you think is in error, so that you will have use of the money during the time it takes us to complete our investigation.

The following pertains to accounts established for personal, family, or household purposes only.

BILLING RIGHTS SUMMARY
IN CASE OF ERRORS OR QUESTIONS ABOUT YOUR STATEMENT

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IN YOUR LETTER GIVE US THE FOLLOWING INFORMATION

1. Tell us your name and account number.
2. Tell us the dollar amount of the suspected error.
3. Describe the error and explain, if you can, why you believe there is an error. If you need more information, describe the item you are unsure about.

You do not have to pay any amount in question while we are investigating, but you are still obligated to pay the parts of your statement that are not in question. While we investigate your question, we cannot report you as delinquent or take any action to collect the amount in question.

PO Box 9020, 95 Elm Street
West Springfield, MA 01090-9020
866-959-BANK (2265)
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Date 12/31/18

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Richard Levin
919 Third Ave.
New York NY 10022

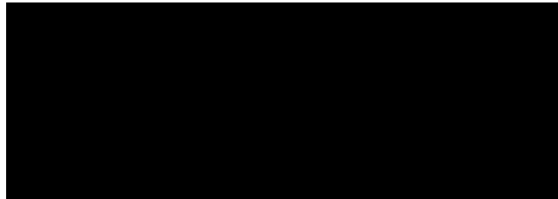
Case Number: 18-10509
Case Name: Firestar Diamond Inc.
Debtor
Trustee Number: 520258
Trustee Name: Richard Levin
Trustee

CHECKING

XXXXXXXXXXXX9796 (Continued)

ACTIVITY IN DATE ORDER

DATE	DESCRIPTION	AMOUNT	BALANCE
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END OF STATEMENT

P.O. Box 1393
Buffalo, NY 14240-1393

Questions?
Call 1.877.472.2249
TTY 1.800.898.5999
us.hsbc.com
Or write:
HSBC
P.O. Box 9
Buffalo, New York 14240

FANTASY INC - DEBTOR-IN-POSSESSION
592 5TH AVE
FL 3
NEW YORK NY 100364707

HSBC CORP ANALYZED

ACCOUNT NUMBER [REDACTED] 9441

STATEMENT PERIOD 12/01/18 TO 12/31/18

FANTASY INC - DEBTOR-IN-POSSESSION

BEGINNING BALANCE	\$1,208,947.31
DEPOSITS & OTHER ADDITIONS	\$0.00
WITHDRAWALS & OTHER SUBTRACTIONS	\$1,208,947.31
ENDING BALANCE	\$0.00

DATE POSTED	DESCRIPTION OF TRANSACTIONS	DEPOSITS & OTHER ADDITIONS	WITHDRAWALS & OTHER SUBTRACTIONS	BALANCE
12/01/18	OPENING BALANCE			\$1,208,947.31
12/24/18	[REDACTED]		1,208,947.31	\$0.00
12/31/18	ENDING BALANCE			\$0.00

All deposited items are credited subject to final payment.

For Consumer Accounts Only:

IN CASE OF ERRORS OR QUESTIONS ABOUT YOUR ELECTRONIC TRANSFERS

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c) all other electronic transfers (e.g., payroll deposits, Social Security deposits, insurance payments, etc.).

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WRITE TO US AS SOON AS YOU CAN – USE THE TELEPHONE NUMBER OR ADDRESS ON THE FRONT OF THIS STATEMENT.

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Date 12/31/18

Page

1

Richard Levin
919 Third Ave.
New York NY 10022

Questions:

(800) 634-7734

Banking@BMSAdvantage.com

BMSAdvantage.com

Case Number: 18-10511
Case Name: Fantasy Inc.
Debtor
Trustee Number: 520258
Trustee Name: Richard Levin
Trustee

Need more UPS supplies to send your deposits into United Bank? You can order supplies yourself by logging into <http://campusship.ups.com>. Complete instructions (including login credentials) may be found on the BMS Client Portal (<https://myResources.bms7.com>) > Request Supplies > UPS Information > Ordering Guide.

SUMMARY OF ACCOUNTS

ACCOUNT NUMBER	TYPE OF ACCOUNT	ENDING BALANCE
XXXXXXXXXXXX9842	CHECKING	1,068,494.09

..... CHECKING/MMA ACCOUNT.....

ACCOUNT TITLE: Richard Levin

CHECKING		ENCLOSURES	0
ACCOUNT NUMBER	XXXXXXXXXXXX9842	Statement Dates	12/19/18 thru 12/31/18
PREVIOUS BALANCE	.00	DAYS IN STATEMENT PERIOD	13
1 DEPOSITS	1,208,947.31	AVERAGE BALANCE	690,043.56
6 DEBITS	140,453.22	AVERAGE COLLECTED	690,043.56
SERVICE CHARGE	.00		
INTEREST PAID	.00		
NEW BALANCE	1,068,494.09		

ACTIVITY IN DATE ORDER

DATE	DESCRIPTION	AMOUNT	BALANCE
12/24	Wire Transfer Credit	1,208,947.31	1,208,947.31

12/27	WIRE TRANSFER DEBIT	18,119.25-	1,190,828.06
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IF YOUR NAME OR ADDRESS IS SHOWN INCORRECTLY, PLEASE COMPLETE THE SECTION
BELOW AND RETURN THIS SECTION TO US BY MAIL OR DELIVER TO OUR ADDRESS.

NAME

(PLEASE PRINT)

STREET
ADDRESS

CITY

STATE

ZIP CODE

DATE

AUTHORIZED
SIGNATURE

THIS CHANGE APPLIES TO:

☐ CHECKING ACCOUNT
☐ INSTALLMENT LOAN

☐ SAVINGS ACCOUNT
☐ SAVINGS CERTIFICATE

☐ MORTGAGE LOAN
☐ OTHER

† CUT ALONG THE DOTTED LINE †

USE THIS SECTION FOR RECONCILING YOUR ACCOUNT

CHECKS OUTSTANDING				DEPOSITS NOT ON STATEMENT		BEFORE RECONCILING • DEDUCT ANY SERVICE CHARGES OR OTHER DEBIT CHARGES ON STATEMENT FROM YOUR CHECKBOOK BALANCE • ADD ANY INTEREST CREDITS OR OTHER CREDITS TO YOUR CHECKBOOK.
NUMBER	AMOUNT	NUMBER	AMOUNT			
		TOTAL FROM FIRST COLUMN				
						LAST BALANCE ON STATEMENT
						ADD DEPOSITS NOT ON STATEMENT +
						TOTAL
						DEDUCT TOTAL CHECKS OUTSTANDING
						YOUR CHECKBOOK SHOULD SHOW THIS BALANCE
TOTAL TO TOP OF NEXT COLUMN		TOTAL CHECKS OUTSTANDING			TOTAL DEPOSITS	

PLEASE CHECK CAREFULLY AND
REPORT ANY DIFFERENCES

IN CASE OF ERRORS OR
QUESTIONS ABOUT YOUR ELECTRONIC TRANSFERS

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Date 12/31/18

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Richard Levi n
919 Thi rd Ave.
New York NY 10022

Case Number: 18-10511
Case Name: Fantasy Inc.
Debtor
Trustee Number: 520258
Trustee Name: Richard Levi n
Trustee

CHECKING

XXXXXXXXXXXX9842 (Continued)

ACTIVITY IN DATE ORDER			
DATE	DESCRI PTION	AMOUNT	BALANCE
12/27	WIRE TRANSFER DEBIT	19,490.00-	1,171,338.06
12/27	WIRE TRANSFER DEBIT	23,939.74-	1,147,398.32

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Date 12/31/18

Page

3

Richard Levi n
919 Thi rd Ave.
New York NY 10022

Case Number: 18-10511
Case Name: Fantasy Inc.
Debtor
Trustee Number: 520258
Trustee Name: Ri chard Levi n
Trustee

CHECKI NG

XXXXXXXXXXXX9842 (Conti nued)

ACTIVITY IN DATE ORDER

DATE	DESCRI PTI ON	AMOUNT	BALANCE
12/27	WI RE TRANSFER DEBIT	28, 402. 83-	1, 118, 995. 49
12/27	WI RE TRANSFER DEBIT	49, 247. 40-	1, 069, 748. 09
12/31		1, 254. 00-	1, 068, 494. 09

END OF STATEMENT